



IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

) Art Unit: 2165

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) Examiner: C. Nguyen

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Technology Center 2100

**Sir:**

**APPELLANT'S BRIEF UNDER 37 C.F.R. § 1.192**

1. PROCEDURAL HISTORY

In an Office Action mailed April 24, 2001, the Examiner rejected the pending claims under 35 U.S.C. § 112, second paragraph, "as failing to set forth the subject matter which applicants regard as their invention."

**Appellant filed a Response including an Amendment and Remarks on July 5, 2001.**

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In a Final Office Action mailed September 25, 2001, the Examiner again rejected the pending claims under 35 U.S.C. § 112, second paragraph.

Appellant then filed a Notice of Appeal followed by a Brief in support of the Appeal, together with the required fees.

Instead of issuing an Answer to the Brief, in an Office Action mailed March 29, 2002 the Examiner withdrew all previous rejections and made a new ground of rejection, rejecting claims 19, 29, 35, and 43 under 35 U.S.C. § 102 (e) as being anticipated by U.S. Patent No. 5,884,278 to Powell (Powell '278); and rejected claims 20-24, 26, 28, 30-34, 36-40, 42, and 44-46 under 35 U.S.C. § 103 (a) as being unpatentable over Powell '278.

Appellant filed a response on September 26, 2002, arguing the patentability of the claims over the prior art, including Powell '278.

In a Final Office Action mailed December 17, 2002, the Examiner again rejected the pending claims under 35 U.S.C. §§ 102 and 103 as being anticipated or unpatentable over Powell '278.

Thus, Appellant filed the Notice of Appeal for the instant Appeal.

Appellant filed an amendment on October 6, 2003, canceling claims 35-40 and 42-46.

Appellant now submits this Brief in support of an Appeal to the Board of Patent Appeals and Interferences of the rejections in the Final Office Action. Please charge the

undersigned attorney's Deposit Account No. 10-0077 the \$160 payment amount for filing this Brief.

Attached to this Brief is an appendix, entitled "Pending claims," containing a copy of claims 19-24, 26, 28-34.

2. REAL PARTY IN INTEREST

The real party in interest is SoftCard Systems Inc.

3. RELATED APPEALS AND INTERFERENCES

The instant Application is a parent application of another application for which an appeal is pending:

Appellant's Application Serial No. 09/320,664 Filed May 27, 1999 for COMPUTER SYSTEM WITH PROGRAM CONFIGURATIONS AND METHODS FOR A STORE.

Appellant does not believe that this other application will affect or be affected by or have a bearing on the Board's decision in the instant appeal. Appellant nevertheless brings this other application to the attention of the Board.

4. STATUS OF CLAIMS

Claims 19-24, 26, and 28-34 are pending, and claims 1-18, 25, 27, and 35-46 are canceled. Claims 19-24, 26, 28-34 are the subject of this appeal.

5. STATUS OF AMENDMENTS

All amendments cited above will be entered.<sup>1</sup>

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1. Appellant also filed an Amendment on September 4, 2003, the content of which was identical to the Amendment of October 6, 2003 cited above. Although Appellant's facsimile transmission report shows that all 8 pages of the September 4 Amendment were successfully sent, on October 6 the PTO, after inquiry by Appellant, acknowledged receiving only 2 pages of the September 4 Amendment. Thus, Appellant filed an identical Amendment on October 6.

6. BACKGROUND AND SUPPORT IN THE SPECIFICATION  
AND SUMMARY OF THE INVENTION

Following is a summary of the invention and of specification support of the claims defining the invention.

Figs. 1 and 2 show store 1 including computer network 7 and computer network 9. Some computers in checkout stations 300, 301, 302 communicate with financial computer 40 in network 7. Other computers in checkout stations 300, 301, 302 communicate with computer 42 in network 8. (Specification page 7, line 12 page 8, line 1).

Figs. 6A and 6B emphasize other aspects of store 1. Checkout station 300 includes card interface system 320 having a card interface slot 314. Checkout station 301 includes card interface system 321 having a card interface slot 314. Checkout station 302 includes card interface system 322 having a card interface slot 314. (Specification page 12, lines 2-5). Fig. 14 emphasizes other aspects of store 1.

Fig. 15 is a block diagram of checkout station 300 including cash register system 330 and card interface system 320. CPU 350 in system 330 communicates with CPU 352 in system 320 via RS232 line 328, as discussed in more detail below. In card interface system 320, CPU 352 executes program 342 in memory 333. CPU 352 and program 342 act to receive electronic coupons from a customer card, via reader/writer 315. CPU 352 determines if a product has a corresponding electronic coupon offer. (Specification page 21, lines 15-20).

Appellant's invention is defined in the claims.

Independent Claim 19

The system of claim 19 includes a plurality of cash register stations. Each cash register station includes an electromagnetic detector for generating first signals corresponding to product pricing and for generating second signals identifying products selected for purchase. Support for the «electromagnetic detector» includes bar code reader 310 shown in Figs. 6A and 15. Support for «generating first signals corresponding to product pricing» includes page 15, line 7-8, stating that a checkout clerk scans paper coupons past bar code reader 310. Support for «generating second signals identifying products selected for purchase» includes page 15, line 6, stating that the checkout clerk scans selected products past bar code reader 310.

Each cash register station includes a card interface for reading third signals corresponding to product pricing from the card memory of one of the portable cards. Support for the «card interface» includes reader 315 having slot 314 shown in Figs. 6A and 15. Support for «reading third signals corresponding to product pricing from the card memory of one of the portable cards» includes page 21, line 17-18, stating that system 320 acts to receive electronic coupons from a customer card, via reader/writer 315.

Each cash register station includes a first processing unit that executes a first program in a first memory to correlate second signals with first signals. Support for this

«first processing unit» includes page 15, lines 10-11, stating that a CPU and program in system 330 processes the paper coupon information in the context of the selected products to determine discount eligibility.

The system of claim 19 also includes a plurality of second processing units, each second processing unit executing a second program in a second memory, to correlate second signals from the electromagnetic detector, in a respective one of the cash register stations, with the third signals read by the card interface, in the respective one of the cash register stations. Support for this «second processing unit» includes page 15, lines 15-17, stating that a CPU and program in system 320 perform electronic coupon redemption, by processing the selected products in the context of the coupon information from the customer's card to determine discount eligibility.

#### Independent Claim 29

The system of claim 29 includes a plurality of cash register stations. Each cash register station includes an electromagnetic detector for generating first signals corresponding to product pricing and for generating second signals identifying products selected for purchase. Support for the «electromagnetic detector» includes bar code reader 310 shown in Figs. 6A and 27. Support for «generating first signals corresponding to product pricing» includes page 15, line 7-8, stating that a checkout clerk scans paper coupons past bar code reader 310. Support for «generating second signals identifying

products selected for purchase» includes page 15, line 6, stating that the checkout clerk scans selected products past bar code reader 310.

Each cash register station includes a card interface for reading third signals corresponding to product pricing from the card memory of one of the portable cards. Support for the «card interface» includes reader 315 having slot 314 shown in Figs. 6A and 27. Support for «reading from the card memory of one of the portable cards» includes page 31, line 14-15, stating that system 320' acts to receive electronic coupons from a customer card, via reader/writer 315.

Each cash register station includes a first processing unit that executes a first program in a first memory to correlate second signals with first signals. Support for this «first processing unit» includes page 15, lines 10-11, stating that a CPU and program in system 330 processes the paper coupon information in the context of the selected products to determine discount eligibility.

Each register station of claim 29 includes a signal path between a peripheral device and the first processing unit. Support for this «signal path» includes interface bus 351 shown in Fig. 27.

Each cash register station of claim 29 also includes second processing unit that executes a second program in a second memory, to correlate second signals with the third signals. Support for this «second processing unit» includes page 35, lines 6-9, stating that CPU 352 detects correspondence between UPC product codes and coupons on a card.



Claim 29 also recites that «the first processing units determines a total amount due by receiving a fourth signal from the second processing unit.» Support for this feature of claim 29 includes page 35, lines 14-17, stating that CPU 350 receives a discount tender from CPU 352 and calculates a total amount due.

6. ISSUE

The first issue is whether claims 19 and 29 are anticipated under 35 U.S.C. § 102 (e) by U.S. Patent No. 5,884,278 to Powell (Powell '278); and

The second issue is whether claims 20-24, 26, 28, 30-34 are patentable under 35 U.S.C. § 103 (a) over Powell '278.

7. GROUPING OF CLAIMS

For the first issue, the rejection under § 102 (e), claims 19 and 29 stand or fall together.

For the second issued, the rejection under § 103, claims 20-24, 26, 28, 30-34, 36-40, 42, and 44-46 stand or fall together.

8. ARGUMENT

Claims 19 and 29  
are not anticipated under 35 U.S.C. § 102

In this Brief, claim 19 represents claims 19 and 29.

The art of record does not disclose a system comprising a plurality of cash register stations each including a card interface for reading third signals corresponding to product pricing from the card memory of one of the portable cards; and a first processing unit . . . to correlate second signals . . ., wherein the system also includes a plurality of second processing units, each second processing unit executing a second program in a second memory, to determine a discount quantity by correlating second signals . . ., in a respective one of the cash register stations, with the third signals read by the card interface. (Independent Claim 19). No reasonable combination of the art of record suggests, much less discloses, this precise combination including the recited second processing unit and discount quantity.

A problem with the Examiner's § 102 rejection of claim 19 is that he never identifies what he considers to be Appellant's recited first and second processing units. Page 2 of the Final Office Action merely gives general statements regarding interpretation of claims and "various modifications" (emphasis in original) of Applicant's previous patents. Thus, page 2 has no direct relevance to an anticipation rejection under § 102.

Pages 3-4 of the Final Office Action are also vague with regard to claim 19 and the recited processing units:

Powell discloses the same system with the same devices as claimed (see at least '278 Figs. 3A-3B, 6A-6B), and 14. The claimed words: 'an electromagnetic detector" was a scanner/bar code reader in '278, (see at least '278 Fig.25, and 16:3-4); A card interface was claimed at least in '278 claim 1; 'Correlating signals" were inherently comprised at least in the system of '278 for matching a predetermined value to a specific product/item (e.g., LUT). The whole claimed system is similar (at least) as the system claimed in '278 Fig.14 since of the similar system in '278 already have full capabilities to perform all of these pending limitations (see at least, Ken Powell (US Pat. 5,884,276)).

(Final Office Action, page 4) (emphasis added<sup>2</sup>)

These statements by the Examiner are insufficient for an anticipation rejection under 35 U.S.C. § 102. Anticipation under § 102 requires that the "identical invention must be shown in as complete detail as is contained in the ... claim." *Richardson v. Suzuki Motor Co.*, 868 F.2d 1226, 1236, 9 USPQ2d 1913, 1920 (Fed. Cir. 1989) (emphasis added). "[E]lements [of the prior art reference] must be arranged as in the claim under review." *In re Bond*, 910 F.2d 831, 15 USPQ2d 1566 (Fed. Cir. 1990). In some cases, one may rely on inherency, but an inherent limitation is one that is necessarily present; invalidation

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2. Appellant notes that being at least "similar" is insufficient for a rejection under § 102; identity is required).

based on inherency is not established by "probabilities or possibilities." Scaltech, Inc. v. Retec/Tetra, LLC., 178 F.3d 1378, 1384, 51 USPQ2d 1055, 1059 (Fed. Cir. 1999).

Appellant notes that Figs. 3A and 3B of the '278 Patent, cited in the excerpt above from page 4 of the Final Office Action, are a partial view of a store, including product shelves.

Figs. 6A and 6B, cited in the excerpt, show another part of the store 1000, including checkout stations each having a card interface computer 920.

Fig. 14, cited in the excerpt, is a block diagram of checkout station 900 including cash register computer 930 having CPU 950 executing instructions in RAM, and card interface computer 920 having CPU 952 executing instructions in RAM. Card interface computer (CPU 952 and program 942) acts to receive an electronic coupon from a smart card and send bar code data to bar-code-reader emulator 929. Bar-code-reader emulator 929 sends a signal, via cable 915. 2-1 multiplexor 939 receives the signal on cable 915, and relays the signal to CPU 950. ('278 Patent col. 7, line 59 - col. 8, line 17). If a coupon bar code has been received, CPU 950 receives a message 3008 to get the discount corresponding to the bar code. ('278 Patent col. 12, lines 14-17; See Also Final Office Action page 2, lines 19-21). Financial computer 800 sends the message 3008. ('278 Patent col. 6, lines 38-40). As shown in Fig. 13, financial computer 800 is common to the checkout stations.

If the Examiner insists on maintaining the rejection under § 102, the Examiner must show how he is reading claim 19 onto the '278 Patent for purposes of anticipation.

Although the Examiner's statements are too general and vague for Appellant to submit a technical rebuttal to his § 102 rejection, Appellant notes that the Examiner will not be able to read claim 19 onto the '278 Patent. For example, financial computer 800 cannot be the recited "second processing units" because financial computer 800 functions as an element common to the register stations, and is therefore cannot be a "plurality of second processing units, each second processing unit . . . correlating second signals from the electromagnetic detector, in a respective one of the cash register stations."

The card interface computers 920 of the '278 Patent cannot be the recited "second processing units" because the computers 920 do not "determine a discount quantity." Instead, each computer 920 sends bar code data to its respective cash register computer 930, and the computer 930 then uses the bar code data to receive the discount from financial computer 800.

Claims 20-24, 26, 28, 30-34  
are patentable under 35 U.S.C. § 103

In this Brief, the limitations of claim 19 represent claims 20-24, 26, 28, 30-34.

On page 5 of the Final Office Action, the Examiner purports to make a rejection under § 103, stating:

The examiner submits that these claims' limitations were widely used in computer related art specifically in cash registers/check-out stations in retail stores, since the examiner's background were in electronic communication fields.

One skilled in the art can easily ascertain the essential characteristics of cited references and, without departing from the spirit and scope thereof, can make modifications of these references to adapt its devices/steps to this pending application's dependent claims.

(Final Office Action, page 5).

Appellant submits that the Examiner has not made a proper § 103 rejection; the Examiner has merely stated that he could make a § 103 rejection. To make a proper rejection under § 103, the Examiner must show how is modifying '278 Patent to suggest Appellant's claims.

Although the Examiner's statements regarding § 103 are too general for Appellant to rebut, Appellant notes that the "mere fact that prior art device could have been modified does not make modification obvious unless prior art suggested desirability of modification."

Cooper v. Ford Motor Co., 748 F.2d 677, 680, 223 U.S.P.Q. 1286 (Fed. Cir. 1984) citing In re Gordon 733 F.2d 900, 902, 221 U.S.P.Q. 1125, 1127 (Fed. Cir. 1984). For example, it would not have been obvious to modify the bar code data, sent from computer 920 of the '278 Patent, to be the recited "discount quantity" determined by the "second processing

unit," because this bar code data is an emulation of data that computer 930 would normally see from an optically scanned paper coupon, allowing "a conventional supermarket checkout counter [to be] augmented with card interface computer 920 and 2-1 multiplexer 939 to practice the preferred embodiments of the invention, without requiring a change to the software of the conventional checkout counter." '278 Patent col. 8, lines 19-24.<sup>3</sup> See *In re Gordon*, 733 F.2d 900, 902, 221 USPQ 1125, 1127 (Fed. Cir. 1984) (finding no suggestion to modify a prior art device where the modification would render the device inoperable for its intended purpose).<sup>4</sup>

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3. See also '278 Patent Fig. 14 and col. 7, line 63 - col. 8, line 24.

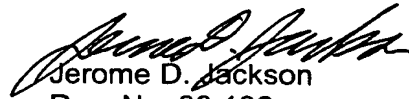
4. The instant application and '278 Patent were commonly owned. Thus, Appellant may disqualify the '278 Patent as a 102(e)/103 reference, since the "mere filing of a continuing application on or after November 29, 1999, with the required evidence of common ownership, will serve to exclude commonly owned 35 U.S.C. 102(e) prior art that was applied, or could have been applied, in a rejection under 35 U.S.C. 103 in the parent application." MPEP 706.02(I)(1).

CONCLUSION

Thus, Appellant respectfully requests that the Board reverse the Examiner's rejection of claims 19-24, 26, 28-34 under 35 U.S.C. §§ 102 and 103.

If there are any other fees required for consideration of this Brief, or for any other reason, please charge such fees to the undersigned attorney's Deposit Account No. 10-0077.

Respectfully submitted,

  
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APPENDIX - PENDING CLAIMS

19. (Twice Amended) A system for operating with a plurality of portable cards each having a card memory, and a store having a plurality of products, the system comprising:

a plurality of cash register stations, each cash register station including

an electromagnetic detector for generating first signals  
corresponding to product pricing and for generating second signals  
identifying products selected for purchase;

a card interface for reading third signals corresponding to product  
pricing from the card memory of one of the portable cards;

a first processing unit that executes a first program in a first  
memory to correlate second signals with first signals,

wherein the system also includes a plurality of second processing units, each second processing unit executing a second program in a second memory, to determine a discount quantity by correlating second signals from the electromagnetic detector, in a respective one of the cash register stations, with the third signals read by the card interface, in the respective one of the cash register stations.

20. The system of claim 19 wherein each second processing unit is in the respective one of the cash register stations.

21. The system of claim 19 further including  
a central computer that communicates product pricing information with each of the first processing units.

22. The system of claim 19 further including  
a network including a common computer that communicates pricing information, wherein the first processing unit, of each cash register station, is in the network, and wherein the second processing unit, of each cash register station, receives the second signals from a signal path that excludes the network.

23. The system of claim 19 further including  
a switch that generates a signal indicating the end of a checkout transaction for a customer, the switch being activatable by a clerk,  
wherein the second processing unit is in a signal path between the switch and the first processing unit.

24. The system of claim 19 further including  
a signal path from the second processing unit to the first processing unit,

wherein the second processing unit sends a signal indicating a tender of a discount to the first processing unit, via the signal path.

26. The system of claim 19 further including  
a switch that generates a signal indicating the end of a checkout transaction for a customer, the switch being activatable by a clerk,  
wherein a signal path between the switch and the first processing unit excludes the second processing unit.

28. The system of claim 19 further including  
a signal path from the second processing unit to the first processing unit,  
wherein the second processing unit sends a signal indicating a UPC coupon to the first processing unit, via the signal path.

29. (Twice Amended) A system for operating with a plurality of portable cards each having a card memory for storing product discount information, and a store with a plurality of products, the system comprising:

a plurality of cash register stations, each cash register station including  
an electromagnetic detector for generating first signals  
corresponding to product pricing and for generating second signals  
identifying products selected for purchase;

a card interface for reading from the card memory of one of the portable of cards;

a first processing unit that executes a first program in a first memory to correlate second signals with first signals,

a signal path between a peripheral device and the first processing unit,

a second processing unit, responsive to a signal on the signal path, that executes a second program in a second memory, to determine a discount quantity by correlating second signals with third signals from the card memory of one of the plurality of cards, wherein the first processing unit determines a total amount due by receiving a fourth signal from the second processing unit.

30. The system of claim 29 wherein the fourth signal corresponds to a discount tender.

31. The system of claim 29 wherein the peripheral device is an input device.

32. (Amended) The system of claim 29 wherein the signal path carries product identification information.

33. The system of claim 29 wherein the peripheral device is the electromagnetic detector.

34. The system of claim 29 further including a medium for a first computer network, wherein a first network-interface, in each cash register station, is an interface to the first computer network.